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STATE OF MISSOURI  
PUBLIC SERVICE COMMISSION

TRANSCRIPT OF PROCEEDINGS

Public Hearing

January 20, 2004  
Rolla, Missouri  
Volume 6

In the Matter of Aquila, Inc., d/b/a )  
Aquila Networks - MPS and Aquila ) Case No. GR-2004-0072  
Networks - L&P, Natural Gas General )  
Rate Increase )

VICKY RUTH, Presiding,  
SENIOR REGULATORY LAW JUDGE.

CONNIE MURRAY,  
COMMISSIONER.

REPORTED BY:  
KELLENE K. FEDDERSEN, CSR, RPR, CCR  
ASSOCIATED COURT REPORTERS

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P R O C E E D I N G S

JUDGE RUTH: Good evening. I want to thank everyone for coming. We appreciate your taking the time to come to this local public hearing. My name is Vicky Ruth, and I'm a Senior Regulatory Law Judge with the Missouri Public Service Commission.

And I want to first apologize for the change in location. I hope it did not inconvenience you too much. We had originally scheduled to have this hearing at the City Council chambers, and the City Council had a change in their meeting date and instructed us to find a new location, so we did. And again, I apologize for any inconvenience that may have caused you.

The Commission did set this date and time for a local public hearing in Case No. GR-2004-0072, in which Aquila, Inc., d/b/a Aquila Networks - L&P and Aquila Networks - MPS seek a general rate increase.

Specifically, Aquila's proposed natural gas service tariffs are designed to produce an annual increase in revenues of approximately \$5.6 million for Aquila Networks - MPS and \$.8 million for Aquila Networks - L&P. Aquila also proposes to make miscellaneous tariff changes, including combining the Aquila Networks - MPS and Aquila Networks - L&P tariffs.

The Missouri Public Service Commission is a

1 Missouri state agency which regulates the rates charged by  
2 investor-owned utilities such as Aquila. The Commission  
3 regulates the company in order to ensure that those rates  
4 are just and reasonable, and the Commission also regulates  
5 the quality of service and the safety of the operations of  
6 those investor-owned utilities.

7           The Commission currently consists of three  
8 Commissioners. There are five positions. At this time only  
9 three are filled. And one of the Commissioners,  
10 Commissioner Connie Murray, is here with us tonight.

11           The Commission also employs a staff of  
12 engineers, accountants, attorneys, financial analysts and  
13 other specialists in the field of utility regulation.

14 Mr. Bruce Bates is the attorney representing the Staff.

15 Would you raise your hand.

16           MR. BATES: Yes.

17           JUDGE RUTH: Thank you. And next to Mr. Bates  
18 we have Mr. Doug Micheel, the attorney representing the  
19 Office of the Public Counsel. It is the job of the Office  
20 of Public Counsel to represent you, the public, in hearings  
21 before the Commission.

22           If you wish, you may stay after the hearing  
23 and both Mr. Bates, Mr. Micheel and also the company  
24 attorney will be here to answer any questions you might  
25 still have.

1                   Representing the company today is Mr. Dean  
2 Cooper. Would you raise your hand. Mr. Cooper has  
3 representatives from the company here also.

4                   Now, the purpose of tonight's hearing is to  
5 give the public an opportunity to make comments on the  
6 record regarding the proposed rate increase. It's an  
7 official hearing. Comments must be made under sworn oath.  
8 They'll be transcribed, and the record will be made  
9 available for the other Commissioners that are not here  
10 tonight.

11                   In addition to this local public hearing, the  
12 Commission has conducted public hearings in Maryville and  
13 Platte City, and also Nevada, Missouri. Local public  
14 hearings will be held next week in Marshall and Sedalia, and  
15 a trial-type evidentiary hearing will be held in late March  
16 and early April. It is at that evidentiary hearing where  
17 the company will have the burden of showing that the  
18 proposed rate increase is necessary.

19                   Okay. Our procedure, as I mentioned briefly  
20 off the record, will be as follows: Each witness will be  
21 called to come forward to the stand. I will swear you in,  
22 ask you a few questions, such as your name and address, and  
23 then you'll be allowed to offer your comments. When you  
24 finish your comments, please stay up at the front for just a  
25 moment in case the Commissioner or one of the other

1 attorneys has a question for you.

2 Okay. Any questions on the procedure?

3 (No response.)

4 All right. Commissioner Murray, do you have  
5 any opening remarks?

6 COMMISSIONER MURRAY: I don't. Just thank you  
7 for being here and taking the time to come and tell us your  
8 views.

9 JUDGE RUTH: And quickly we'll do entries of  
10 appearance. For the company?

11 MR. COOPER: Dean Cooper with the law firm of  
12 Brydon, Swearingen & England, P.C., P.O. Box 456, Jefferson  
13 City, Missouri 65102, appearing on behalf of Aquila  
14 Networks - MPS and Aquila Networks - L&P.

15 JUDGE RUTH: Thank you. And Staff?

16 MR. BATES: Bruce Bates, Post Office Box 360,  
17 Jefferson City, Missouri 65102, appearing on behalf of the  
18 Staff of the Missouri Public Service Commission.

19 JUDGE RUTH: Thank you. Public Counsel?

20 MR. MICHEEL: Douglas E. Micheel, appearing on  
21 behalf of the Office of the Public Counsel and the public,  
22 P.O. Box 2230, Jefferson City, Missouri 65102-2230.

23 JUDGE RUTH: Thank you.

24 I will call the first witness. I believe it  
25 is Daryol Butcher.

1 MR. BUTCHER: Butcher.

2                   JUDGE RUTH:  Would you please come forward.  
3  Could you pronounce your name again for me?  
4                   MR. BUTCHER:  Daryol Butcher.  
5                   JUDGE RUTH:  Butcher.  Sir, would you please  
6  raise your right hand.  
7                   (Witness sworn.)  
8                   JUDGE RUTH:  Would you state and then spell  
9  your name for the record.  
10                  MR. BUTCHER:  Daryol, D-a-r-y-o-l, middle  
11  initial N., last name Butcher, B-u-t-c-h-e-r.  
12                  JUDGE RUTH:  Okay.  And your address?  
13                  MR. BUTCHER:  907 East 7th street, Rolla,  
14  Missouri 65401.  
15                  JUDGE RUTH:  And are you currently a customer  
16  of Aquila?  
17                  MR. BUTCHER:  I am.  
18                  JUDGE RUTH:  Okay.  Do you have a statement  
19  you wish to make?  
20                  MR. BUTCHER:  I would -- well, I've got two  
21  I'd like to make.  Since Aquila has taken over, I don't know  
22  if it's their inability to be able to equitably buy gas to  
23  be distributed to us or -- or do they lack that ability  
24  totally.  Since they've taken over, my gas bills are over  
25  \$300 a year more than they've ever been.  In 2001, for

1  whatever reason, it was over a thousand dollars, and this is

2 even after putting in a new furnace.

3                   The second thing I would like to comment about  
4 is that Aquila is looking for an increase of six and a half  
5 million dollars, I believe you said. And my question is,  
6 Aquila back in 2002, at the end of that or beginning of  
7 2003 -- this is out of the Springfield paper -- Aquila paid  
8 \$30 million in bonuses to five executives, and they also at  
9 the same time fired about 500 people, that supposedly saves  
10 Aquila \$35 million.

11                   Mr. Leo Morton, senior vice president at the  
12 time, said this incentive pay was crucial. A Robert and a  
13 Richard Green received almost \$20 million in some kind of  
14 bonus. Mr. Morton has said that this was all because of  
15 their aggressive goals. And that I would probably have a  
16 long way to argue with you on, aggressive goals, because I  
17 think overly aggressive probably is better.

18                   But at any rate, I think that with this kind  
19 of money given away, and then to turn around and ask us to  
20 crank up our golden goose to lay -- our goose to lay some  
21 more golden eggs I think is improper, completely  
22 unnecessary, and, if anything, looks like to me getting on a  
23 little falsehood here. They're wanting money, and they've  
24 already given away four or five times what they need.

25                   And I have some other things, but I think with

1 the time, those two things is the heaviest things on my mind  
2 right now.

3 JUDGE RUTH: So do you want to add any other  
4 comments or that's it at this time?

5 MR. BUTCHER: Well, there's things that I  
6 can't change. When you talk about the gas costs, I don't  
7 know enough about it; therefore, I can't really argue with  
8 that point. I just know that it's gone higher and higher on  
9 this, what do they call it, the purchased gas adjustment,  
10 something like that.

11 That's been going higher and higher. It's  
12 been over 1. -- I think 1.16 is the multiplier at one time,  
13 when before that same multiplier was down to .43, .56,  
14 things like this. We're looking at a decimal point seven  
15 places. And I don't know how they come up with those kind  
16 of decimal points getting their multiplier, but that's what  
17 I come up trying to break down their figures.

18 But all of this seems to have run away on us  
19 since Aquila took over, and it sounds like they want it to  
20 run away even more, and that puts my third thing I guess in  
21 a nutshell.

22 JUDGE RUTH: Thank you. Commissioner Murray,  
23 do you have any questions for this witness?

24 COMMISSIONER MURRAY: Just do you have any  
25 quality of service problems as far as your service?

1 MR. BUTCHER: As far as interruptions and  
2 that, no. I've never had any interruptions.



3                   COMMISSIONER MURRAY: No complaints about the  
4 quality of your service?

5                   MR. BUTCHER: (Witness shook head.)

6                   COMMISSIONER MURRAY: Thank you. I appreciate  
7 your testimony.

8                   JUDGE RUTH: I'd like to note for the record  
9 that, in response to Commissioner Murray's question, the  
10 witness nodded his head yes, that you agree that you have  
11 not had quality of service --

12                  MR. BUTCHER: I have not had.

13                  JUDGE RUTH: Let me ask, then, Aquila, do you  
14 have any questions for this witness?

15                  MR. COOPER: No, your Honor.

16                  JUDGE RUTH: And Staff?

17                  MR. BATES: No, thank you.

18                  JUDGE RUTH: Public Counsel?

19                  MR. MICHEEL: No, your Honor.

20                  JUDGE RUTH: Thank you very much, and you may  
21 step down.

22                  The second witness that has signed up is  
23 Victor Lomax. Mr. Lomax, would you please raise your right  
24 hand.

25                  (Witness sworn.)

1                   JUDGE RUTH: And would you please state and  
2 spell your name for the record.

3                   MR. LOMAX: Victor, V-i-c-t-o-r, Lomax,

4 L-o-m-a-x, 309 Mossview Lane, Rolla, Missouri 65401.

5 JUDGE RUTH: Thank you. And are you currently  
6 a customer of Aquila?

7 MR. LOMAX: I am.

8 JUDGE RUTH: And do you have a statement you  
9 wish to make?

10 MR. LOMAX: Just a comment. The request as I  
11 understand it that was filed by Aquila is to recover past  
12 expenditures for, oh, the things that they've listed.

13 I also understand that Aquila is attempting to  
14 sell their assets to AmerenUE, and I'm also assuming that if  
15 this rate request is granted, those increases will carry on  
16 through the acquisition, that AmerenUE will just pick up  
17 Aquila's rate base as they find it and will continue to  
18 charge, regardless of the fact that they will be paying  
19 Aquila in their compensation for the purchase for all the  
20 stuff that Aquila has done.

21 So it seems to me that maybe we're really  
22 paying AmerenUE instead of Aquila, even though Aquila is the  
23 one that filed the rate increase request, inasmuch as the  
24 transfer from Aquila to Ameren has not taken place yet, the  
25 Commission is still considering, I guess considering whether

10

1 you're going to allow it or not. I'm not real sure what the  
2 position of that is.

3 But it seems to me with all of these

4     uncertainties, this is probably not a good time to put this  
5     sort of a rate adjustment into effect.

6                     And I would also respectfully like to request  
7     that this rate increase request be broken down.  Some of  
8     it's fixed and some of it's variable, and I don't know which  
9     is how much.

10                    Now, some comments were made earlier that the  
11     request that Aquila made was for more than what's evidenced  
12     by this statement that was presented to us this evening, but  
13     there again, there was no breakdown between the variable  
14     part of it and the fixed part it, and I think all of us are  
15     a little concerned about the fixed part.

16                    That's all I have.

17                    JUDGE RUTH:  Okay.  And I do want to remind  
18     everyone here tonight that if you have questions after we  
19     conclude the on-the-record part, these are questions you may  
20     want to ask the company, Staff, the Office of the Public  
21     Counsel.

22                    Unfortunately, this is a time only to take  
23     comments on the record.  I can't ask the company to answer  
24     your question, but they will be available afterwards.  And I  
25     I appreciate your taking the time to voice those questions

11

1     and concerns, but I can't allow anyone to answer them on the  
2     record.

3                    MR. LOMAX:  I understand that.

4                    JUDGE RUTH:  Commissioner Murray, did you have

5 any questions for the witness?

6 COMMISSIONER MURRAY: I would just ask you  
7 also, are you satisfied with the quality of service you're  
8 receiving?

9 MR. LOMAX: Yes.

10 COMMISSIONER MURRAY: Thank you.

11 MR. LOMAX: No complaints at all.

12 COMMISSIONER MURRAY: Thank you.

13 JUDGE RUTH: Mr. Cooper -- can I get you to  
14 stay just a moment?

15 MR. COOPER: No questions.

16 JUDGE RUTH: Staff?

17 MR. BATES: No, thank you.

18 JUDGE RUTH: OPC?

19 MR. MICHEEL: Yes, I have one. Mr. Lomax, do  
20 you support a higher fixed charge or a lower fixed charge,  
21 or do you know?

22 MR. LOMAX: I guess I would prefer to have  
23 this increase payment be based on the variable side of it  
24 simply because that will probably result in a lower eventual  
25 cost. On the other hand, in order -- I'm giving you an

12

1 answer in two steps so that you'll know what my real answer  
2 is at the end of all this.

3 When we first went with Missouri Public  
4 Service, which was Aquila's predecessor, there was a very

5 low fixed cost and a very low variable cost. At some point  
6 in time -- and my experience only goes back to 1995 -- there  
7 was a change in the way the rate system was structured so  
8 that all of a sudden we got, or at least to my way of -- my  
9 knowledge, all of a sudden we got this purchased gas  
10 adjustment, which took -- which has absolutely nothing to do  
11 with the way rates are structured by the State. This is  
12 just a pass through.

13 Now, I -- I'm not normally suspicious, but in  
14 this case I think I might be. I don't really know whether  
15 Missouri Public Service or the successor Aquila or the  
16 further successor AmerenUE is in business with the gas  
17 providers in Texas, Oklahoma, New Mexico, wherever they buy  
18 the gas from, Alaska.

19 If so -- and as I say, I have no idea about  
20 the corporate relationships that exist, but it does seem to  
21 me that it might be something that should be looked into,  
22 and it might also further be incumbent upon the Missouri  
23 Public Service Commission to look into restoring their  
24 control over this purchased gas adjustment thing. Right now  
25 we're at the mercy of whoever it is that's pumping the

13

1 natural gas out of the ground and selling it through the  
2 pipeline.

3 Thank you.

4 JUDGE RUTH: Let me ask quickly, Commissioner  
5 Murray, did you have a follow-up question?

6 COMMISSIONER MURRAY: I don't. Thank you.  
7 JUDGE RUTH: And Staff or Aquila?  
8 MR. COOPER: No, your Honor.  
9 MR. BATES: No.  
10 JUDGE RUTH: Thank you very much. You may  
11 step down.  
12 And the third witness on the signup sheet is  
13 Frank Capek. Did I pronounce that correctly?  
14 MR. CAPEK: It's Capek.  
15 JUDGE RUTH: Sir, would you raise your right  
16 hand.  
17 (Witness sworn.)  
18 JUDGE RUTH: Thank you. And would you state  
19 and spell your name for the record.  
20 MR. CAPEK: Frank Capek, F-r-a-n-k, C-a-p-e-k.  
21 JUDGE RUTH: And your address?  
22 MR. CAPEK: 1705 Soest Road, Rolla.  
23 JUDGE RUTH: Would you spell that?  
24 MR. CAPEK: S-o-e-s-t.  
25 JUDGE RUTH: And are you currently a customer

14

1 of Aquila?

2 MR. CAPEK: No.  
3 JUDGE RUTH: Are you a former customer?  
4 MR. CAPEK: No.  
5 JUDGE RUTH: That's fine. You may make your

6 statement or comments.

7 MR. CAPEK: Well, my only comment is that  
8 everything I've read, and this is one of the reasons why I  
9 am not currently a customer, was the \$9 per month charge,  
10 which goes on 12 months a year, and also the fact that we  
11 have such huge bonuses from a company that is now coming up  
12 and needing an additional whatever it is, \$9.06 a month  
13 average or something like that for the operation of the  
14 company.

15 I'm not going to go into that part any deeper  
16 because I think that's already been sufficiently covered.  
17 But it seems to me like the operating costs apparently are  
18 adequately covered at the present time.

19 That's all the comments that I have.

20 JUDGE RUTH: Thank you. Commissioner Murray?

21 MR. CAPEK: Incidentally, my LP gas cost  
22 95 cents a gallon for about 800 gallons, which will last me  
23 about a year.

24 JUDGE RUTH: Commissioner Murray, do you have  
25 a question?

15

1 COMMISSIONER MURRAY: You are you not a  
2 customer?

3 MR. CAPEK: No.

4 COMMISSIONER MURRAY: And you've not been  
5 formerly a customer?

6 MR. CAPEK: No.

7                   COMMISSIONER MURRAY:  And your interest in  
8  this rate case is just because you live -- you live in the  
9  area and you could be a customer, is that --  
10                   MR. CAPEK:  That's correct.  
11                   COMMISSIONER MURRAY:  Thank you.  
12                   JUDGE RUTH:  Okay.  Any questions from  
13  Mr. Cooper?  
14                   MR. COOPER:  No, your Honor.  
15                   JUDGE RUTH:  Mr. Bates?  
16                   MR. BATES:  No, thank you.  
17                   JUDGE RUTH:  Mr. Micheel?  
18                   MR. MICHEEL:  No, thank you very much.  
19                   JUDGE RUTH:  Okay.  Thank you very much.  
20                   Okay.  And the fourth witness on the signup  
21  sheet is Mr. Harold Mace.  Did I pronounce your name  
22  correctly?  
23                   MR. MACE:  How did you pronounce it?  I  
24  couldn't hear you very well.  
25                   JUDGE RUTH:  Mace.

16

1                   MR. MACE:  That's correct, just like the cops  
2  use.  
3                   JUDGE RUTH:  Mr. Mace, would you please raise  
4  your right hand.  
5                   (Witness sworn.)  
6                   JUDGE RUTH:  And would you please state and



7 spell your name for the record.

8 MR. MACE: Harold, H-a-r-o-l-d, last name  
9 Mace, M-a-c-e.

10 JUDGE RUTH: And your address?

11 MR. MACE: 7 Peachtree. You can't get there.  
12 You've got to go on Pinetree before you get to Peachtree.

13 JUDGE RUTH: And are you currently a customer  
14 of Aquila?

15 MR. MACE: Yes, ma'am, two different pieces of  
16 property.

17 JUDGE RUTH: All right. Do you have a  
18 statement or comments you wish to make?

19 MR. MACE: I've got a few things I'd just like  
20 to ask. I notice they made a statement here of \$30 million.  
21 I come from the country, and that's quite a bit of money.  
22 But these executives are getting in bonuses, I think it said  
23 30 million to one person, wasn't it? Anyhow, if that's not  
24 coming from the profits from the company, where's it coming  
25 from?

17

1 No. 2, when I went with Ameren -- I'm sorry --  
2 Aquila, I had three LP gas tanks. And I'm about like this  
3 one gentleman back here, I think right now -- in fact, I  
4 inquired today of an LP company, and if you buy gas in the  
5 fall or in the summer, you can buy LP gas for about -- right  
6 now about 80 cents a gallon.

7 Maybe I got the wrong impression here tonight,

8 but I notice you've got a lot of Public Service Commission  
9 people here, and I thought they represent the interests of  
10 the public. Maybe I've got the wrong idea.

11 One other comment I'd like to make. I'm not  
12 an engineer, but I'm a junk yard mechanic, I guess. I've  
13 been in a little of everything in my lifetime. I watched  
14 the construction -- you may not want to hear this. I  
15 watched the construction of this line, distribution lines  
16 throughout the city. I think it's very poorly constructed.  
17 There's very few shutoff valves.

18 To give you an example, the property, rental  
19 property that I have over here at 1605 Elm, when they bored  
20 under the street, they bored right through the sanitary  
21 sewer line. The City of Rolla cleaning out the sewer line  
22 cut the line in two, and they -- they had police and fire  
23 department for five blocks away to keep people away from  
24 there on account of it could have blown off.

25 The point I'm getting at here is this

18

1 construction, I watched a lot of the trenches that were dug  
2 to bury this stuff, this pipeline. Man, there's rocks and  
3 everything else went back in against that plastic line.  
4 Again, I'm not an engineer, but to me, the earth moves. I  
5 think we all know that.

6 Another thing, this line, distribution line  
7 for my rental house, they had to come up there with a

8 backhoe, dig down to the -- from the trunk line and put a  
9 little appliance there to squeeze the pipe to shut off the  
10 gas. The only shutoffs I seen in town almost is at the  
11 house. Of course, they have to have that to cut you off if  
12 you don't pay the bill. Just wanted to mention that.

13 I guess another question I had, does all users  
14 of Aquila get the same rate increase? I'm talking about the  
15 entire state of Missouri. I guess that's about all I have  
16 to say. Anybody -- any questions of what I've said?

17 JUDGE RUTH: First I'll just comment that as  
18 to your questions, you may want to stay afterwards, and the  
19 Staff of the Missouri Public Service Commission has  
20 attempted to bring experts, subject matter experts that  
21 might be able to answer your questions. The company also  
22 has several representatives here that might be able to  
23 answer your question, and Public Counsel is also willing to  
24 talk to you.

25 As for the comments you made, I'll ask

19

1 Commissioner Murray if she has any questions for you.

2 COMMISSIONER MURRAY: Mr. Mace, did you say  
3 you are an engineer?

4 MR. MACE: No, ma'am. Definitely no. I made  
5 a true statement to that. I am not. No. No.

6 COMMISSIONER MURRAY: I wanted to clarify  
7 whether I heard you correctly.

8 MR. MACE: You bet.

9                   COMMISSIONER MURRAY:  And in terms of your --  
10  the service that you personally receive, are you receiving  
11  good service, as far as you know?

12                   MR. MACE:  Well, man comes and reads the  
13  meter.  That's about all there is to do.  And that \$9 up  
14  front kind of bugs me anyhow.  I made a statement to that a  
15  while ago.  I was in business for myself the last 42 years  
16  of my working life, and I never had -- well, first of all, I  
17  was a new car automobiler 12 years.  The company never  
18  furnished me the building to operate out of.  They didn't  
19  furnish nothing.  I had to hire all my people, which  
20  Aquila's got that, too, I'm sure.

21                   But this \$9 and something is to me -- and I  
22  can't understand the public service approving it.

23                   COMMISSIONER MURRAY:  You understand we've not  
24  made any decisions on any of this yet?  We're here to hear  
25  your comments.

20

1                   MR. MACE:  Sure.

2                   COMMISSIONER MURRAY:  Thank you very much.

3                   JUDGE RUTH:  And Aquila, any questions?

4                   MR. COOPER:  No questions.

5                   JUDGE RUTH:  Staff?

6                   MR. BATES:  No, thank you.

7                   JUDGE RUTH:  Public Counsel?

8                   MR. MICHEEL:  No.  I'll be happy to talk to

9 you after the hearing to answer all of your questions if I  
10 can.

11 JUDGE RUTH: Thank you, Mr. Mace.

12 And is there anyone else in the audience that  
13 did not sign the witness signup sheet that would like an  
14 opportunity to make comments?

15 MS. WOOD: I wasn't going to.

16 JUDGE RUTH: All right. Would you like to  
17 come up and sign the sheet? I have it right here.

18 It's Betty Lou Wood?

19 MS. WOOD: Correct.

20 JUDGE RUTH: Ms. Wood, would you please raise  
21 your right hand.

22 (Witness sworn.)

23 JUDGE RUTH: Okay. Would you please state and  
24 spell your name for the record.

25 MS. WOOD: My name is Betty Lou Wood,

21

1 B-e-t-t-y, capital L-o-u, W-o-o-d.

2 JUDGE RUTH: And your address?

3 MS. WOOD: 303 North Orchard Street in Salem,  
4 65560.

5 JUDGE RUTH: Okay. Are you currently a  
6 customer of Aquila?

7 MS. WOOD: Yes, I am.

8 JUDGE RUTH: And do you have a statement or  
9 comments you would like to make?

10 MS. WOOD: I have a few comments.

11 JUDGE RUTH: Please proceed.

12 MS. WOOD: A little over two years ago now I  
13 moved out to Salem, Missouri from upstate New York, and I'm  
14 glad that I didn't have natural gas owned by Aquila when we  
15 lived in New York because it's really cold there now.

16 Presently, we've been using wood for almost  
17 the entire season, and I've had my thermostat turned down to  
18 66 degrees most of the time, and this month's bill just came  
19 due was over \$40. It's 44 and change. And we've only had  
20 the gas running for maybe a week out of the entire month  
21 that we've -- that we've used it.

22 I agree with most of the people that have been  
23 up here, in fact all of them, this \$9 charge really is a lot  
24 to begin with, and to add more to that just because we're  
25 customers to me seems very -- not right at all.

22

1 I had never -- I had propane when I lived in  
2 New York, and we never had to pay a charge to the propane  
3 company just to be a customer. If we had a problem, then  
4 they would come and fix it, then we would be billed. I  
5 think, in my estimation, that's what Aquila should do. If  
6 there's a problem with the meter, with the piping, whatever,  
7 and it belongs to the customer, then the customer should  
8 have to pay for it. If it's not something that the customer  
9 owns, then we should not have to pay just to use it.

10                   They've put it -- they've put the piping in,  
11 I'm assuming now, because I'm not an expert on this. They  
12 put the piping in for us to be able to get natural gas.  
13 They should maintain it. But just to -- just to be a  
14 customer, to be charged a fee to be a customer to a company  
15 to me is just outrageous.

16                   My brother-in-law from California came to  
17 visit me, I believe it was last year, and he said that  
18 natural gas is supposed to be our cheapest form of fuel.  
19 Whether it is or not, I'm not sure. I've never had natural  
20 gas before. But he looked at my gas prices even in the --  
21 in the springtime and said they're really bad, at that time  
22 equivalent to approximately \$1.34 a gallon because I checked  
23 with the local propane company.

24                   I didn't get a chance to do that now. I  
25 didn't really know what I would be doing at this meeting. I

23

1 thought it was just a question and answer type deal, not a  
2 formal meeting. I would have gotten more information if I'd  
3 known that. But I just wanted you to know that I really  
4 think that a charge just to be a customer is really  
5 outrageous.

6                   And to your question which you will probably  
7 ask me, have I had good service? From the day I moved in, I  
8 have had good service, but as of the day I moved in, I was  
9 charged \$134 for a week of natural gas. Now, it was a  
10 mistake, and I understood that, but I couldn't get that

11 through the person's head on the other side of the  
12 telephone.

13                   So I paid \$134 of the previous owner's gas  
14 bill when I had my gas turned on in my home. And I wasn't  
15 very happy with that, believe me. That person heard quite a  
16 lot of -- not bad words, but quite a lot of agitation on my  
17 end of the phone.

18                   So other than that, I haven't really had a  
19 problem. But like this other gentleman said, they come,  
20 they read the meter, that's it. I mean, what's to do? And  
21 in the summertime, I pay almost \$20 a month just to have my  
22 hot water going and my cook stove. And, you know, \$20 isn't  
23 much, but I don't make a lot of money, and I'm sure there  
24 are a lot of people in my town and in my surrounding area  
25 that make a lot less than myself.

24

1                   And I guess that's all I have to say. Thank  
2 you.

3                   JUDGE RUTH: Could you stay at the podium for  
4 a minute? Commissioner Murray, did you have a follow-up  
5 question?

6                   COMMISSIONER MURRAY: I don't. Thank you very  
7 much.

8                   JUDGE RUTH: And Aquila?

9                   MR. COOPER: No questions.

10                  JUDGE RUTH: Staff?



11 MR. BATES: No, thank you.

12 JUDGE RUTH: And Public Counsel?

13 MR. MICHEEL: No, your Honor.

14 JUDGE RUTH: Thank you. You may step down.

15 Okay. I want to give everyone else one last  
16 chance to sign the witness sheet and come forward. I'm not  
17 seeing any other interest in having someone else come  
18 forward and sign the witness sheet. So let me offer  
19 Commissioner Murray a chance to make any closing remarks.

20 COMMISSIONER MURRAY: I would just encourage  
21 you, if you do have questions that you need answered, that's  
22 what we have brought Staff along for and that's what the  
23 company has provided representatives for, and the Office of  
24 the Public Counsel is here for that purpose. So if you do  
25 have something you need to find out, use this opportunity.

25

1 Thank you.

2 JUDGE RUTH: Okay. Thank you again for  
3 coming. We appreciate your time.

4 We will now conclude the on-the-record portion  
5 of the local public hearing, but again, there are several  
6 representatives here from the company, from Public Counsel  
7 and from Staff to answer your questions. Thank you.

8 WHEREUPON, the public hearing was concluded.

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